

~~SECRET~~

16 September 1955

MEMORANDUM FOR: AD/RE

SUBJECT : Consequences of Trade Involvement with Soviet Orbit, [REDACTED]

1. We feel that there is a probability that, subsequent to Adenauer's visit to Moscow, Western Germany may be pressured increasingly by the Soviets or by Communist groups, neutralists and businessmen in the Federal Republic to offer the Soviet Orbit long-range trade commitments as an inducement for political and other concessions. Furthermore, as indicated by Soviet action in Austria the USSR may attempt to free Germany from either imposed or voluntary COCOM compliance in any ultimate reunification agreement.

2. To assist us in combatting such pressures, it is requested that ORR prepare an analytical and statistical study of the permanent dislocation of a nation's economy when it is forced by circumstances to orient its trade temporarily toward the Soviet Orbit. The best cases in point are probably the results of USSR preemption of Finnish trade by the reparations device, and the as yet undeveloped consequences of Austria's agreement to make substantial oil deliveries to the USSR, and take over the East-oriented USIA enterprises.

3. Inasmuch as we shall have a continuing need for this information, we should like to have the original study in a month, and shall appreciate receiving any additional information as it becomes available later.

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cc: Projects Control/ERR
Attn: [REDACTED]